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MOTOROLA INC.
GOVERNMENT RELATIONS OFFICE
1350 I Street, NW, Suite 400
Washington, DC 20005

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

August 12, 1993

Mr. William F. Caton
Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

Re: AM Stereo (Dkt. No. 92-298)
Ex parte presentation

Dear Mr. Secretary:

Please be advised pursuant to Section 1.1206 of the Rules that representatives of Motorola met with FCC Chief Engineer, Dr. Stanley, and members of his staff and with Ms. Maureen O'Connell, Mass Media Advisor to Chairman Quello, concerning issues raised in the comments and reply comments filed in this proceeding, as well as the recent ex parte meeting held by Mr. Kahn, as noted in the June 18 notice from his counsel. At the meeting with Dr. Stanley, a representative of the Commission's Office of General Counsel, Mr. Douglas Cooper, also attended. There was, however, no discussion of any antitrust issues nor of any litigation matters in general.

A demonstration audio cassette was left with the attendees of each meeting. A copy of the cassette and of the talking points of the meeting are being filed with this letter.

Respectfully submitted,

Michael A. Menius

Motorola Government Relations Office

Enclosures

cc: Mr. William Malone

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MOTOROLA RESPONSE TO LEONARD KAHN

- | | |
|-----------------------------|---------------|
| • INTRODUCTION | MIKE MENIUS |
| • MARKETPLACE STATUS | FRANK HILBERT |
| • SYSTEM PERFORMANCE | FRANK HILBERT |
| • KAHN'S NEW TESTS PROPOSAL | GREG BUCHWALD |
| • KAHN'S WIN-WIN PROPOSAL | GREG BUCHWALD |
| • CONCLUSION | MIKE MENIUS |

MARKETPLACE STATUS

	C-QUAM	ISB
U.S. Stations	675 - 725	<30 Estimated
Worldwide Stations	975 - 1075	<30 Estimated
Receivers	30,000,000 to 35,000,000 ~200,000 Multi-system	<1000 Single system ~200,000 Multi-system
Number of countries having C-QUAM as stereo standard	Australia, Canada, Mexico, Brazil Japan, and South Africa	None
EIA Support	YES	NO
NAB Support	YES	NO

SYSTEM PERFORMANCE

- **OVER 10 YEARS OF EVALUATIONS**
- **PLATFORM MOTION - CO-CHANNEL**
- **PHASE SENSITIVITY**
- **COVERAGE**
- **INTERFERENCE**
- **NO TESTING BODY HAS EVER FOUND ISB
SYSTEM PERFORMANCE SUPERIORITY.**

NEW TESTS ARE UNWARRANTED AND UNNECESSARY

- **DESPITE ISB BEING THE FIRST OUT OF THE GATE IN 1982, THE OTHER SYSTEMS QUICKLY DISPLACED ITS MARKET POSITION. THE MARKETPLACE HAS CONVERGED ON C-QUAM AFTER OVER A DECADE OF ON-AIR CONTINUOUS TESTING.**

- **JAPAN ENDURED TWO ROUNDS OF TESTS, LABORATORY AND ON-AIR, LASTING OVER 5 YEARS BEFORE CHOOSING C-QUAM. THE JAPANESE TESTS WERE PERFORMED BY BROADCASTERS AND MANUFACTURERS INDEPENDENT OF THE MPT. THE MPT ACTED UPON THE CONCLUSIONS AND RECOMMENDATIONS OF THE TEST COMMITTEES. MOTOROLA HAD NO INPUT IN THE TYPE OF TESTS PERFORMED, THE SCHEDULING OF THE TESTS, OR THE RESULTS OF THE TESTS. KAHN DID HAVE A SIGNIFICANT IMPACT ON THE JAPANESE TESTS CAUSING THEM TO ULTIMATELY PROCEED WITH A SECOND ROUND OF TESTING. DESPITE THE KAHN INPUT, C-QUAM WAS CHOSEN.**

- **CANADA TESTED C-QUAM ON AIR FOR NEARLY 5 YEARS PRIOR TO CHOOSING A SINGLE SYSTEM STANDARD. THE TESTS WERE CONDUCTED BY BROADCASTERS; THE FINAL RECOMMENDATION WAS MADE BY THE CANADIAN ASSOCIATION OF BROADCASTERS. THE DOC SUPPLEMENTED THE CAB DECISION BY PERFORMING OCCUPIED BANDWIDTH TESTING. C-QUAM WAS CHOSEN AS THE STANDARD.**

- **AUSTRALIA CHOSE C-QUAM AFTER BROADCAST TESTS WERE CONDUCTED ON SEVERAL BROADCAST STATIONS. THE TEST RESULTS HAVE BEEN RELEASED AND ARE AVAILABLE.**

- **DELCO TESTED THREE SYSTEMS, HOWEVER, KAHN REFUSED TO PARTICIPATE. C-QUAM WAS CHOSEN OVER LINEAR QUAM (HARRIS) AND AM / PM (MAGNAVOX PMX).**

- **NTIA, NAMSRC, AND MANY, MANY RECEIVER MANUFACTURERS HAVE ALREADY ALSO TESTED AM STEREO SYSTEMS. IN ADDITION, RECOMMENDATIONS OF THE EIA, NAB AND OTHERS RECOMMEND THAT C-QUAM BE CHOSEN WITHOUT DELAY.**

CONCLUSIONS: TESTING HAS BEEN CONTINUOUS SINCE THE MARKETPLACE DECISION WAS ANNOUNCED IN 1982. FURTHERMORE, TESTS WHICH HAVE BEEN CONDUCTED WORLD WIDE HAVE ALL CHOSEN C-QUAM OVER OTHER SYSTEMS.

KAHN WIN-WIN PROPOSAL

KAHN HAS PROPOSED THAT ISB BE SELECTED AS THE NATIONAL STANDARD. A 25 HZ. PILOT TONE WOULD BE BROADCAST, THUS FORCING IMPROPER DECODING OF THE ISB SYSTEM ON C-QUAM RECEIVERS.

- TRIED BY ISB BROADCASTERS IN MID 1980'S. RESULTS WERE UNACCEPTABLE; BROADCASTERS USING ISB AT THE TIME QUICKLY DISCONTINUED THE PRACTICE.**
- C-QUAM RECEIVERS WILL SWITCH TO AND FROM STEREO REPEATEDLY ON HIGHLY PROCESSED STATIONS DUE TO EXCESSIVE PHASE MODULATION.**
- SIMULTANEOUS TRANSMISSION OF THE 15HZ. ISB PILOT WILL CAUSE MANY STEREO RECEIVERS TO SPORADICALLY REVERT TO MONAURAL OPERATION.**
- RECEIVERS THAT DO SWITCH TO STEREO OPERATION WILL EXHIBIT EXCESSIVE HARMONIC, INTERMODULATION, AND PEAK CLIPPING DISTORTIONS.**
- NO TRUE STEREO IMAGING WILL RESULT IN THE DEMODULATED OUTPUT.**

CONCLUSION: THE GENERAL PUBLIC WHICH ALREADY OWNS BETWEEN 20 AND 30 MILLION C-QUAM SETS WILL BE FORCED TO ENDURE INFERIOR AND UNACCEPTABLE STEREO RECEPTION. BROADCAST STATIONS WOULD SHORTLY DISCONTINUE THE PRACTICE TO AVOID DRIVING AWAY LISTENERS.